

## Message Text

UNCLASSIFIED

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64

ACTION L-02

INFO OCT-01 ARA-10 ISO-00 EB-07 COME-00 TRSE-00 AID-05

OPIC-06 CIAE-00 INR-07 NSAE-00 /038 W  
----- 067210

R 071130Z MAR 75

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC 8038

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

UNCLAS BRASILIA 1723

E.O. 11652: N/A

TAGS: EINV, BR

SUBJECT: CALVO CLAUSE AND RELATED PROVISIONS

REF: STATE 024007

1. FOLLOWING REPORT BASED ON INFORMATION PROVIDED  
BY CONGEN RIO. WE ARE ENDEAVORING TO OBTAIN ADDITIONAL  
INFORMATION FROM AUTHORITATIVE GOB SOURCES.

2. EXCEPT FOR A FEW RESTRICTED FIELDS, FOREIGN INVESTORS  
MAY ENGAGE FREELY IN BUSINESS OPERATIONS. NO LEGAL  
PROVISION RESTRICTS A FOREIGN INVESTOR'S RIGHT TO SEEK  
HOME GOVERNMENT ASSISTANCE. BRAZILIAN LEGISLATION  
GENERALLY FOLLOWS THE RULE OF DOMICILE IN DETERMINING  
THE JURIDICAL COMPETENCE OF LOCAL COURTS. ANY ACTION  
RELATING TO PROPERTIES IN BRAZIL MUST BE FILED WITH  
BRAZILIAN COURTS. EVEN WHEN A CONTRACT ESTABLISHES  
DISPUTE RESOLUTION PROCEDURES, BRAZILIAN PRACTICES  
ENABLE EITHER PARTY TO THE CONTRACT, IF IT WISHES, TO  
SUBMIT THE DISPUTE DIRECTLY TO BRAZILIAN COURTS.  
INVESTMENT DISPUTES RELATING TO RISKS GUARANTEES BY  
THE USG, PER BRAZIL-U.S. INVESTMENT GUARANTEE  
AGREEMENT, ARE SETTLED IN ACCORDANCE WITH THE  
AGREEMENT'S PROVISIONS.

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3. MEMORANDUM OUTLINING THIS MATTER IN GREATER

DETAIL BEING POUCHED TO ARA/BR.  
CRIMMINS

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INVESTMENT LAW, LITIGATION, REPORTS, FOREIGN INVESTMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 MAR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975BRASIL01723  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750081-0168  
**From:** BRASILIA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750373/aaaacnyq.tel  
**Line Count:** 63  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION L  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 024007  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CollinP0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 29 MAY 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <29 MAY 2003 by RuthemTJ>; APPROVED <25 FEB 2004 by CollinP0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CALVO CLAUSE AND RELATED PROVISIONS  
**TAGS:** EINV, BR, US  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006